

AMENDED IN ASSEMBLY JANUARY 17, 2014

AMENDED IN ASSEMBLY JANUARY 6, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

**No. 876**

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**Introduced by Assembly Member Bonta**

February 22, 2013

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An act to amend Section 280 of, and to add Sections 280.1 and 280.2 to, the Public Utilities Code, relating to telecommunications.

### LEGISLATIVE COUNSEL'S DIGEST

AB 876, as amended, Bonta. Telecommunications: California Teleconnect Fund Administrative Committee Fund.

Existing law requires the Public Utilities Commission to develop and implement a program funded by the California Teleconnect Fund Administrative Committee Fund to advance universal service by providing discounted rates to qualifying schools maintaining kindergarten or any of grades 1 to 12, inclusive, community colleges, libraries, hospitals, health clinics, and community organizations.

This bill would specify that discounted rates are available to qualifying schools maintaining preschools and transitional kindergartens. The bill would require the commission to develop and implement an outreach plan to preschools and transitional kindergartens to increase awareness of services available to these schools under the program described above.

This bill would require the commission to revise the program described above to give priority for advanced-telecommunication *communication* services as the commission deems appropriate. The bill would require the commission to ensure that the program described

above does not favor a particular technology used to provide advanced ~~telecommunications~~ *communication* services to qualifying entities. The bill would require the commission to ~~establish and maintain~~ *open or amend an existing proceeding to develop a plan on the feasibility and expense associated with establishing and maintaining* a database of communication services purchased by qualifying entities receiving financial support from the program and the prices paid for those communication services. ~~The bill would require the commission to allow qualifying entities to access the database and to make only average price information from the database available to the public. The bill would require the commission to open a new proceeding or amend an existing proceeding to revise the definition of advanced telecommunication services to include the needs of personalized digital learning in schools and libraries.~~ *services. The bill would require the commission to report the plan findings or progress on the plan to the Legislature and to specified committees of the Legislature no later than March 1, 2016.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 280 of the Public Utilities Code is
- 2 amended to read:
- 3 280. (a) The commission shall develop, implement, and
- 4 administer a program to advance universal service by providing
- 5 discounted rates to qualifying schools maintaining preschool,
- 6 transitional kindergarten, ~~kindergarten~~ *kindergarten*, or any of
- 7 grades 1 to 12, inclusive, community colleges, libraries, hospitals,
- 8 health clinics, and community organizations, consistent with
- 9 Chapter 278 of the Statutes of 1994.
- 10 (b) There is hereby created the California Teleconnect Fund
- 11 Administrative Committee, which is an advisory board to advise
- 12 the commission regarding the development, implementation, and
- 13 administration of a program to advance universal service by
- 14 providing discounted rates to qualifying schools maintaining
- 15 preschool, transitional kindergarten, ~~kindergarten~~ *kindergarten*,
- 16 or any of grades 1 to 12, inclusive, community colleges, libraries,
- 17 hospitals, health clinics, and community organizations, consistent
- 18 with Chapter 278 of the Statutes of 1994, and to carry out the

1 program pursuant to the commission's direction, control, and  
2 approval.

3 (c) All revenues collected by telephone corporations in rates  
4 authorized by the commission to fund the program specified in  
5 subdivision (a) shall be submitted to the commission pursuant to  
6 a schedule established by the commission. The commission shall  
7 transfer the moneys received to the Controller for deposit in the  
8 California Teleconnect Fund Administrative Committee Fund. All  
9 interest earned by moneys in the fund shall be deposited in the  
10 fund.

11 (d) Moneys appropriated from the California Teleconnect Fund  
12 Administrative Committee Fund to the commission shall be utilized  
13 exclusively by the commission for the program specified in  
14 subdivision (a), including all costs of the board and the commission  
15 associated with the administration and oversight of the program  
16 and the fund.

17 (e) Moneys loaned from the California Teleconnect Fund  
18 Administrative Committee Fund in the Budget Act of 2003 are  
19 subject to Section 16320 of the Government Code. If the  
20 commission determines a need for moneys in the California  
21 Teleconnect Fund Administrative Committee Fund, the commission  
22 shall notify the Director of Finance of the need, as specified in  
23 Section 16320 of the Government Code. The commission ~~may~~  
24 *shall* not increase the rates authorized by the commission to fund  
25 the program specified in subdivision (b) while moneys loaned from  
26 the California Teleconnect Fund Administrative Committee Fund  
27 in the Budget Act of 2003 are outstanding unless both of the  
28 following conditions are satisfied:

29 (1) The Director of Finance, after making a determination  
30 pursuant to subdivision (b) of Section 16320 of the Government  
31 Code, does not order repayment of all or a portion of any loan  
32 from the California Teleconnect Fund Administrative Committee  
33 Fund within 30 days of notification by the commission of the need  
34 for the moneys.

35 (2) The commission notifies the Director of Finance and the  
36 Chairperson of the Joint Legislative Budget Committee in writing  
37 that it intends to increase the rates authorized by the commission  
38 to fund the program specified in subdivision (a). The notification  
39 required pursuant to this paragraph shall be made 30 days in  
40 advance of the intended rate increase.

(f) Subdivision (e) shall become inoperative upon full repayment or discharge of all moneys loaned from the California Teleconnect Fund Administrative Committee Fund in the Budget Act of 2003.

SEC. 2. Section 280.1 is added to the Public Utilities Code, to read:

280.1. The commission shall develop and implement an outreach plan to preschools and transitional kindergartens to increase awareness of services available to these schools under the program developed pursuant to Section 280.

SEC. 3. Section 280.2 is added to the Public Utilities Code, to read:

~~280.2. (a) The commission shall establish and maintain a database of communication services purchased by qualifying entities receiving financial support from the program developed pursuant to Section 280 and the prices paid for those communications services. The commission shall allow qualifying entities to access the database in order to collaborate and allow for the use of common infrastructure to reduce costs. The commission shall only make average price information from the database available to the public on the commission's Internet Web site. The database shall exclude communications services purchased by qualifying entities who are residential customers and any information prohibited from being publicly disclosed by law.~~

280.2. (a) (1) *The commission shall open or amend an existing proceeding to develop a plan on the feasibility and expense associated with establishing and maintaining a database of communication services purchased by qualifying entities receiving financial support from the program developed pursuant to Section 280 and the prices paid for those communication services.*

(2) *The plan shall include, but not be limited to, the following:*

(A) *A report on how to allow qualifying entities access to the database in order to collaborate and allow for the use of common infrastructure to reduce costs.*

(B) *A report on how to make only aggregated and anonymous price information from the database available to the public on the commission's Internet Web Site.*

(3) *In developing the plan required under this subdivision, the commission may work with a third party, including, but not limited to, a nonprofit organization, if the commission determines the third party can provide assistance in developing the plan while*

1 *maintaining the privacy and security of all data through a suitable*  
2 *legally binding agreement.*

3 *(4) The commission shall report the plan findings or progress*  
4 *on the plan to the Assembly Committee on Utilities and Commerce,*  
5 *the Senate Committee on Energy, Utilities and Communications,*  
6 *and the Legislature no later than March 1, 2016.*

7 (b) The commission shall revise the program developed  
8 pursuant to Section 280 to give priority to using moneys in the  
9 California Teleconnect Fund Administrative Committee Fund for  
10 advanced-telecommunications *communications* services as the  
11 commission deems appropriate. The commission shall ensure that  
12 the program developed pursuant to Section 280 does not favor a  
13 particular technology used to provide advanced-telecommunications  
14 *communications* services to qualifying entities.

15 ~~(e) The commission shall open a new proceeding or amend an~~  
16 ~~existing proceeding to revise the definition of advanced~~  
17 ~~telecommunications services to include the needs of personalized~~  
18 ~~digital learning in schools and libraries.~~